VZCZCXRO8657 OO RUEHCI DE RUEHKT #1058 1491243 ZNY CCCCC ZZH O 291243Z MAY 07 FM AMEMBASSY KATHMANDU TO RUEHC/SECSTATE WASHDC IMMEDIATE 6088 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 5767 RUEHLM/AMEMBASSY COLOMBO PRIORITY 6076 RUEHKA/AMEMBASSY DHAKA PRIORITY 1306 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 4101 RUEHLO/AMEMBASSY LONDON PRIORITY 5382 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 1504 RUEHCI/AMCONSUL KOLKATA PRIORITY 3512 RUEHGV/USMISSION GENEVA PRIORITY 1663 RUCNDT/USMISSION USUN NEW YORK PRIORITY 2704 RUEKJCS/SECDEF WASHDC PRIORITY RHMFISS/CDR USPACOM HONOLULU HI PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY RHEFDIA/DIA WASHDC PRIORITY

C O N F I D E N T I A L KATHMANDU 001058

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SUBJECT: NEPAL: NEW ELECTION DATE STILL PROVING ELUSIVE

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d)

Summary

¶1. (C) A leading Nepali Congress - Democratic politician told the Ambassador May 28 that the governing Eight-Party Alliance was still at loggerheads over a new date for the Constituent Assembly election. According to Member of Parliament Minendra Rijal, Alliance meetings on May 27 and 28 failed to bridge the gaps. The Communist Party of Nepal - United Marxist Leninist revived its demand for a purely proportional system. Meanwhile, the Maoists were insisting Nepal be declared a republic first. Only then would they agree on a new election date.

Eight-Party Alliance Struggling For Consensus

12. (C) On May 28, Minendra Rijal, a nominated Member of the Interim Parliament for the Nepali Congress - Democratic (NC-D) and former party spokesman, informed the Ambassador that agreement on a new date for the Constituent Assembly election was still proving elusive. Rijal stated that the governing Eight-Party Alliance had met for the first time in nearly a month on May 27 and again on May 28, but had not been able to reach consensus. Rijal said that the first problem was that the center-left Communist Party of Nepal - United Marxist Leninist (CPN-UML) had revived its previous demand that the election be based on a purely proportional system. Rijal speculated that the CPN-UML expected it would get more votes this way than under the mixed first-past-the-post and proportional system set forth in the Interim Constitution. The CPN-UML had championed a purely proportional system prior to the adoption of the Interim Constitution in January.

Maoists Don't Want An Election

13. (C) Rijal told the Ambassador that the other problem was that the Maoists were insisting that Nepal be declared a republic before they would agree on a new election date. Given Prime Minister Koirala's repeated rejection of this approach, the NC-D MP wondered whether the Maoist pre-condition was not a blatant Maoist effort to prevent an

election entirely. Rijal told the Ambassador that the Alliance would meet again on May 29 but he was not particularly hopeful that a third meeting would be any more successful than the previous two in ending the logjam.

Comment

14. (C) Rijal is a reliable observer, but his comments reflect the state of play at the end of the day May 28. The eight parties are fully capable of coming up with unexpected compromises, usually involving concessions to the Maoists. That said, it has now been more than seven weeks since the Election Commission publicly announced that a June election could not be accomplished. The Election Commission has suggested a new date in late November and the UN Mission in Nepal and donors have signaled their support. Yet no new date has been announced. The CPN-UML's demand for a purely proportional system cannot be ignored. It is a demand, as the CPN-UML has said in its defense, that is shared by many of the agitating groups, including the Madhesi People's Rights Forum and the leading indigenous (janajati) group. But the CPN-UML, we suspect, may eventually back down. Post is less sure the Maoists will do so. Maoist prospects look increasingly remote for retaining after a Constituent Assembly election the same proportion of seats they control in the Interim Parliament. They thus may see their preferred scenario as no election at all. MORIARTY